VZCZCXRO1086 OO RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHOK #0013 0251021 ZNR UUUUU ZZH O 251021Z JAN 08 FM AMCONSUL OSAKA KOBE TO RUEHC/SECSTATE WASHDC PRIORITY 0984 INFO RUEHKO/AMEMBASSY TOKYO IMMEDIATE 8122 RUEHKSO/AMCONSUL SAPPORO PRIORITY 0212 RUEHNAG/AMCONSUL NAGOYA PRIORITY 2325 RUEHFK/AMCONSUL FUKUOKA PRIORITY 0201 RUEHNH/AMCONSUL NAHA PRIORITY 0224

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SUBJECT: AN UNCONVENTIONAL LDP CAMPAIGN TO WIN OSAKA GUBERNATORIAL

ELECTION

Introduction

11. (SBU) In the Osaka gubernatorial election to be held on Sunday, January 27, political observers and the media are unanimous in predicting a win for the LDP candidate, Toru Hashimoto (38), a lawyer and TV personality. The LDP, after suffering a string of defeats last year culminating with the DPJ winning the key Osaka mayoral election, scrapped its standard electoral strategy and fielded a young candidate with strong name recognition rather than a political pedigree. The opposition DPJ has chosen an older, decidedly un-telegenic establishment candidate in an attempt to appear as the more responsible, trustworthy party.

Wanted: A new style of LDP

12. (U) Hashimoto's brain trust, former Economic Planning Agency director Taichi Sakaiya, Hashimoto's TV promoter Shoichiro Ryu, and other popular talent agency directors, have waged a guerrilla campaign that has hidden overt signs of LDP and Komeito support in order to seem more spontaneous and independent. They also borrowed from TV marketing strategy to limit the candidate's exposure in a "premium marketing" campaign, so that each appearance and poster carried more weight.

DPJ: Your father's party

- $\underline{\mathbb{1}}$ 3. (U) DPJ Tokyo headquarters also broke with tradition (over considerable local DPJ chapter opposition) by forcing DPJ Osaka to select its own candidate instead of working with the LDP to name a consensus candidate. The DPJ strategy has been to show the party's closeness to Sadatoshi Kumagai, a former engineering professor, by organizing frequent campaign appearances by party president Ichiro Ozawa, other party leaders, and Rengo trade union representatives. Ozawa even skipped the Diet vote on the new Operation Enduring Freedom refueling law in order to campaign for Kumagai in Osaka.
- 14. (SBU) The DPJ strategy appeared to be working. Initially the business community, Komeito, and many rank-and-file LDP members were either publicly neutral or opposed to Hashimoto because of his lack of experience and frequent controversial utterances on TV. LDP campaign strategy chairman Makoto Koga pressured the business community to support the LDP candidate, and they have issued nominal support. Komeito remains reluctant to get burned again by an overly close association with unpopular LDP policies and candidates. Nonetheless, it started to ramp up its support of Hashimoto.

Negative campaigns: Bad

15. (SBU) Young, unaffiliated voters began to come out for Hashimoto. Once Hashimoto pulled ahead in weekend polling, the Kumagai camp turned negative. One anonymous pampthlet circulated to three

million households highlighted several of Hashimoto's most controversial public statements, questioning his fitness for office — all true, but taboo in Japanese campaign tactics. Poleconoff witnessed DPJ Dietmember Takashi Nagayasu making similar comments at a political fundraiser. The backlash in the blogosphere among young voters was swift and unforgiving of Kumagai, who has denied involvement with the pamphlets. Osaka housewives have started to say that the stiff and graying Kumagai reminds them of their domineering husbands, surely the kiss of death in this highly televised campaign.

16. (SBU) Comment: It is too early to tell whether or not the LDP can find well-known telegenic candidates for its other races. However, it is apparent that the fear of losing yet more elections in major markets like Osaka (Japan's delegate-rich second city) has motivated the party to try unconventional measures at masking the ruling coalition's lack of popularity and maintaining relevance in local politics. In any case, experts are doubtful that neophytes like Hashimoto will have any chance at tackling the pressing issues facing Osaka Prefecture. Most important will be restructuring Osaka's public finances, already on the verge of insolvency. Second, Osaka's new governor will have to correct the growing regional disparities with Tokyo in academic ability, domestic and foreign investment levels, and employment opportunities. End comment.

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